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99TH CONGRESS
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SENATE

REPORT
99-361

AUTHORIZING THE USE OF FUNDS FROM RENTAL OF FLOATING DRYDOCK AND OTHER MARINE EQUIPMENT TO SUPPORT THE NATIONAL MARITIME MUSEUM IN SAN FRANCISCO, CALIFORNIA

AUGUST 1, (legislative day, JULY 28), 1986.—Ordered to be printed

Mr. MCCLURE, from the Committee on Energy and Natural Resources, submitted the following

REPORT

[To accompany H.R. 1343]

The Committee on Energy and Natural Resources, to which was referred the Act (H.R. 1343) to authorize the use of funds from rental of floating drydock and other marine equipment to support the National Maritime Museum in San Francisco, California, and for other purposes, having considered the same, reports favorably thereon with amendments to the text and recommends that the Act, as amended do pass.

The amendments are as follows:

1. On page 2, line 4 delete "and".

2. On page 2, line 8 delete "properties" and insert "properties; and".

3. On page 2, after line 8, insert the following:

"(3) inserting in the first paragraph after the words 'National Maritime Museum,' the word 'and' and deleting ', and for a coordinated public and private access system to and within the recreation area and other units of the national park system in Marin and San Francisco Counties'.".

PURPOSE OF THE MEASURE

H.R. 1343, as reported, would allow the Golden Gate National Recreation Area to lease a drydock it owns, and apply the lease proceeds to the maintenance and restoration of the historic ships of the National Maritime Museum, which are part of the Golden Gate National Recreation Area.

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Background and Need

The Golden Gate National Recreation Area was authorized in 1972 by Public Law 92-589, to preserve for public use and enjoyment certain areas of Marin and San Francisco Counties, California, possessing outstanding natural, historic, scenic and recreational values. One of the historic values included under the 1972 Act is a collection of seven historic vessels. The ships require routine maintenance and repairs which are performed on drydock AFDL-38, which the Park Service acquired in 1981 from the Navy after the facility was declared surplus. The Park Service uses the drydock when necessary but does not need it for significant periods of time each year. The Park Service has estimated that approximately $75,000 per year could be earned by leasing the drydock when not needed for the seven ships. Such leasing would also reduce the Park Service's maintenance costs for the drydock since those costs would fall to the lessor during the period the drydock is under lease.

H.R. 1343 provides that income generated from the leasing of the drydock be added to the appropriation for the Golden Gate National Recreation Area. Three other properties within the recreation area are leased in this fashion, with the revenues supplementing the area's appropriation.

H.R. 1343 also allows the Park Service to charge admission fees for visitation to the ships. Fees are presently charged for one of the ships, the Balclutha, berthed at Fisherman's Wharf. However, one ship, the Wapama, has deteriorated to the point where it cannot be displayed, and is in storage.

The Park Service estimates that total restoration of the seven ships would require an expenditure of $37.9 million over seven years. The admission fees authorized by H.R. 1343 would be dedicated to the repair and maintenance of the ships.

Legislative History

H.R. 1343 was introduced by Representative Sala Burton on February 28, 1985. The measure was passed by the House of Representatives on July 15, 1985. On February 21, 1986, the Subcommittee on Public Lands, Reserved Water and Resource Conservation held a hearing on the Act.

At a business meeting on July 16, 1986, the Senate Committee on Energy and Natural Resources ordered H.R. 1343, as amended, favorably reported.

Committee Recommendations and Tabulation of Votes

The Senate Committee on Energy and Natural Resources, in open business session on July 16, 1986, by unanimous vote of a quorum present recommends that the Senate pass H.R. 1343, if amended, as described herein.

The rollcall vote on reporting the measure was 17 yeas, 0 nays as follows:

YEAS	NAYS
Mr. McClure	
Mr. Hatfield*	
Mr. Weicker	
Mr. Domenici	
Mr. Wallop	
Mr. Warner	
Mr. Murkowski*	
Mr. Nickles	
Mr. Hecht	
Mr. Evans*	
Mr. Johnston	
Mr. Bumpers	
Mr. Ford	
Mr. Metzenbaum*	
Mr. Bradley*	
Mr. Bingaman*	
Mr. Rockefeller*	

*Indicates vote by proxy.

COMMITTEE AMENDMENTS

The amendments would redirect the net revenues from building rentals, leasing of a drydock, less expenses to the maintenance, repair and upkeep of the sailing ships and facilities of the National Maritime Museum and the rehabilitation of buildings included in the Ft. Mason Foundation Cooperative agreement. The amendments delete the Golden Gate National Recreation Area transportation system as a recipient of funds.

COST AND BUDGETARY CONSIDERATIONS

The following estimate of the cost of this measure has been provided by the Congressional Budget Office:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, July 22, 1986.

Hon. JAMES A. MCCLURE,
Chairman, Committee on Energy and Natural Resources,
U.S. Senate, Dirksen Senate Office Building, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed H.R. 1343, an act to authorize the use of funds from rental of floating drydock and other marine equipment to support the National Maritime Museum in San Francisco, California, and for other purposes, as amended and ordered reported by the Senate Committee on Energy and Natural Resources, July 16, 1986. We estimate that enactment of this legislation would not significantly affect the budgets of federal, state or local governments.

H.R. 1343 would permit the Department of the Interior to contract out the management of drydock facilities and heavy equipment owned by the National Park Service, with any excess funds being used to offset the costs of the National Maritime Museum and its holdings. In addition, this act would authorize the continued collection of entrance fees to the sailing vessel Balclutha (retroactive to November 27, 1983) and extend this authority to cover other ships owned by the museum.

If you wish further details on this estimate, we will be pleased to provide them.

With best wishes,

Sincerely,

RUDOLPH G. PENNER, *Director.*

REGULATORY IMPACT EVALUATION

In compliance with paragraph 11(b) of Rule XXVI of the Standing Rules of the Senate, the Committee makes the following evaluation of the regulatory impact which would be incurred in carrying out H.R. 1343. The Act is not a regulatory measure in the sense of imposing Government-established standards or significant economic responsibilities on private individuals and businesses.

No personal information would be collected in administering the program. Therefore, there would be no impact on personal privacy.

Little, if any, additional paperwork would result from the enactment of H.R. 1343, as reported.

EXECUTIVE COMMUNICATIONS

The pertinent legislative report received by the Committee from the Department of the Interior setting forth executive agency recommendations relating to S. 530 which is an identical bill to H.R. 1343 is set forth below:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, DC, July 5, 1985.

Hon. JAMES A. MCCLURE,
Chairman, Committee on Energy and Natural Resources,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: This responds to your request for our views on S. 530, a bill "To authorize the use of funds from rental of floating drydock and other marine equipment to support the National Maritime Museum in San Francisco, California."

We do not oppose enactment of S. 530.

S. 530 would amend the Act establishing the Golden Gate National Recreation Area by including the AFDL-38 drydock or other vessels or heavy marine equipment among the properties that may be managed by contract with other entities. Such management may include the rental or lease of the property. S. 530 would permit the National Park Service to contract with an appropriate entity, such as the Maritime Museum Association, to rent the AFDL-38 drydock to private shipping companies and use the proceeds of such rental to aid in the restoration and maintenance of the historic ships at the national recreation area.

The need for a creative financing mechanism to restore the fleet of historic ships is clear. The maritime museum and historic ships were included in the original legislation establishing the Golden Gate National Recreation Area in 1972 (P.L. 92-589). The San Francisco State Historic Park vessels were donated in 1977. The city and the Maritime Museum Association jointly operated the San Francisco Maritime Museum and donated their respective interests to the National Park Service in 1978. These maritime re-

sources were consolidated into the National Maritime Museum, San Francisco.

The seven major historic vessels located at the Hyde Street pier, several requiring major reconstruction, comprise the largest fleet of historic ships in the world. Visitation to the Hyde Street pier and the vessels moored there exceeded 500,000 in 1984.

The floating drydock, AFDL–38, and other heavy equipment were acquired from the Federal surplus property rolls to provide immediate support for the rehabilitation and maintenance of the historic fleet. It is currently estimated that it will cost $37.9 million over 7 years to restore, operate, and maintain the historic fleet. The actual funding of the restoration of the historic vessels will be sought through a combination of private donations and funds appropriated through our normal budget process. The rental payments would be used to offset appropriated funds.

Because the historic ships require drydocking every three to five years and since drydock facilities in the San Francisco Bay area are at a premium, the time not needed for drydocking the historic vessels could be leased by an appropriate entity, such as the Maritime Museum Association, on a predictable basis. The commercial value of this down-time is considered extremely valuable to a number of marine-related industries. While no market analysis has been done to establish a fair market value for leasing the drydock, it is conservatively estimated that the leasing of the AFDL–38 to commercial firms during periods of non-use by the National Park Service would result in a minimum of approximately $75,000 in receipts annually. We would anticipate that any lease agreement would require the lessor to provide maintenance and improvements to keep the drydock in good operating condition and, thus, relieve the National Park Service of this financial responsibility.

Furthermore, we are committed to a study to determine whether or not the continued operation of this drydock is the most economical and efficient way of providing drydock facilities for these historic ships. Such a study would also consider the effect of our operation on drydock facilities in the Bay area. If it is not economical and efficient, we would seek to dispose of the drydock. We will complete our study within six months of enactment of this legislation.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

SUSAN E. RECCE,
Acting Deputy Assistant Secretary.

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of Rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill H.R. 1343, as ordered reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

ACT OF OCTOBER 27, 1972

(86 Stat. 1299, as amended, 16 U.S.C. 460bb et seq.)

SEC. 4. (a) The Secretary shall administer the lands, waters and interests therein acquired for the recreation area in accordance with the provisions of the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1, 2-4), as amended and supplemented, and the Secretary may utilize such statutory authority available to him for the conservation and management of wildlife and natural resources as he deems appropriate to carry out the purposes of this Act. Notwithstanding their inclusion within the boundaries of the recreation area, the Muir Woods National Monument and Fort Point National Historic Site shall continue to be administered as distinct and identifiable units of the national park system in accordance with the laws applicable to such monument and historic site.

(b) FEDERAL-STATE COOPERATIVE AGREEMENTS FOR POLICE AND FIRE PROTECTION.—The Secretary may enter into cooperative agreements with any Federal agency, the State of California, or any political subdivision thereof, for the rendering, on a reimbursable basis, of rescue, firefighting, and law enforcement and fire preventive assistance.

(c) WATER RESOURCE DEVELOPMENTS.—The authority of the Army to undertake or contribute to water resource developments, including shore erosion control, beach protection, and navigation improvements on land and/or waters within the recreation area shall be exercised in accordance with plans which are mutually acceptable to the Secretary and the Secretary of the Army and which are consistent with both the purpose of this Act and the purpose of existing statutes dealing with water and related resource development.

(d) TRANSPORTATION SYSTEM; STUDY FOR COORDINATED PUBLIC AND PRIVATE SYSTEM.—The Secretary, in cooperation with the State of California and affected political subdivisions thereof, local and regional transit agencies, and the Secretaries of Transportation and of the Army, shall make a study for a coordinated public and private transportation system to and within the recreation area and other units of the national park system in Marin and San Francisco Counties.

(e) No fees or admission charges shall be levied for admission of the general public to the recreation area except to portions under lease or permit for a particular and limited purpose authorized by the Secretary. The Secretary may authorize reasonable charges for public transportation and [for a period not exceeding five years from the date of enactment of this legislation,] for admission to the sailing vessel Balclutha *and other historic vessels of the National Maritime Museum.*

(f) CREDITING CERTAIN RENTAL FEES TO APPROPRIATION; PROVISIONS FOR SURPLUS; MANAGEMENT CONTRACTS.—Notwithstanding any other provisions of law, in the administration of those parcels of property known as Haslett Warehouse, Cliff House Properties and Louis' Restaurant, the Secretary shall credit any proceeds from the rental of space in the aforementioned properties to the appropriation, if any, bearing the cost of their administration,

maintenance, repair and related expenses and also for the maintenance, repair and related expenses of the vessels and the adjacent piers comprising the National Maritime Museum, *and* for major renovation and park rehabilitation of those buildings included in the Fort Mason Foundation Cooperative Agreement [, and for a coordinated public and private access system to and within the recreation area and other units of the national park system in Marin and San Francisco Counties]: *Provided,* That surplus funds, if any, will be deposited into the Treasury of the United States: *Provided further,* That notwithstanding any other provision of law, in the administration of said parcels *and of the AFDL–38 Drydock or other vessels or heavy marine equipment,* the Secretary may, if he deems appropriate, enter into a contract *for the management (including rental or lease) of said properties* [for the management of said parcels of property] with such terms and conditions as will protect the Government's interest, with excess funds being used as set forth above.

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